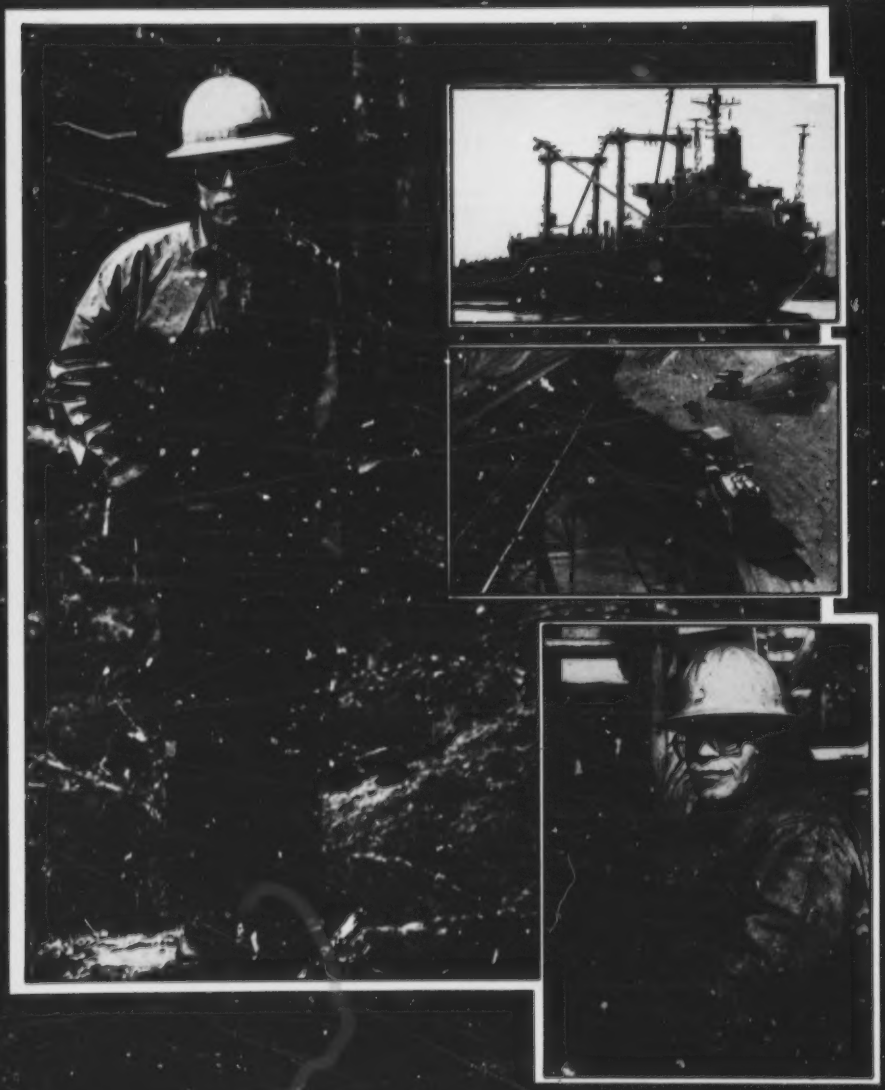
JUNE 1984

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



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ALASKA ECONOMIC TRENDS

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P Denotes preliminary estimates.

R Denotes revised estimates.

REGIONAL NATIVE CORPORATIONS

By Ed Eboch

Regional Native corporations have made, and will continue to make an important contribution to Alaska's economic and employment growth. Since enactment of the Alaska Native Claims Settlement Act (ANCSA) the Native corporations have played an increasing role in the economic activity of the state. Like any new business there have been successes and disappointments. Because of delays in enactment of ANCSA the Native corporations were at a disadvantage in competing successfully in the business world. ANCSA also made requirements of the regional corporations that the traditional business does not have to face. Perhaps these regional Native corporations should not be evaluated on standard business criteria because of the additional social responsibility required of them. Even so, with the lack of business experience, slow implementation of ANCSA, additional social responsibility, and in the midst of a worldwide recession they have managed to survive and grow. These organizations will play an increasingly important economic and political role in Alaska's future.

While the act accomplished many things, this article is limited to a look at the benefits to Alaska Native business ownership and employment. The article examines only the 12 Regional Native Corporations in Alaska. Besides the regional corporations there are nearly 200 village corporations each with at least $1 million in assets or at least 500 shareholders. A later issue of *Alaska Economic Trends* will profile the village corporations.

ANCSA

In 1971 Congress enacted the Alaska Native Claims Settlement Act (ANCSA) in order to settle aboriginal claims of the Alaska Native Indian, Aleut, and Eskimo population. The act provided for both a property award and monetary compensation. It directed Native villages to organize as profit or nonprofit corporations under state law. It also created 12 regional corporations representing Natives in 12 geographic regions, that approximated the areas covered at that time by the regional associations, and a 13th corporation for qualified out-of-state Natives. The 13 regional corporations were required to be incorporated as profit corporations. For extinguishing their claims to disputed land rights the act compensated Alaska Natives with 44 million acres of land and a $962.5 million monetary award.

While the regional corporations were to conduct business for profit they also had other responsibilities. They were to receive title to subsequent rights of land patented to the village corporations; receive title to additional acres of land and to receive, administer and distribute part of the monetary settlement. Even if they were able to generate little or no profit these regional corporations served these other functions as well as serving

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as a focal point for expressing Alaska Native shareholders views.

It was not until the late 1970s that the regional corporations were able to concentrate on becoming profit-making businesses. Expectations exceeded the ability of all parties to fully enact ANCSA. Delays in land conveyance and resolution of other issues delayed the successful implementation of the intentions of ANCSA. Limited business experience of many corporations made it difficult to carry on basic corporation business. Responsibilities of land selection, easement comments, and reconveyance made it difficult to concentrate on profit-making activities. Just as the corporations were beginning to expand, business conditions in the traditional rural businesses—fish and timber harvesting—were experiencing setbacks. The salmon botulism problem in 1982 increased costs and deterred sales and price in fish processing. The worldwide recession resulted in a decreased demand for Alaska timber. The village corporations were impacted more by these events than were the regional corporations but the publicity impacted all Native corporations adversely. The surprise is not the disappointments in their business ventures but in their ability to overcome these setbacks and continue to grow and expand.

Employment Profile

By looking at employment we can get a picture of the extent the regional

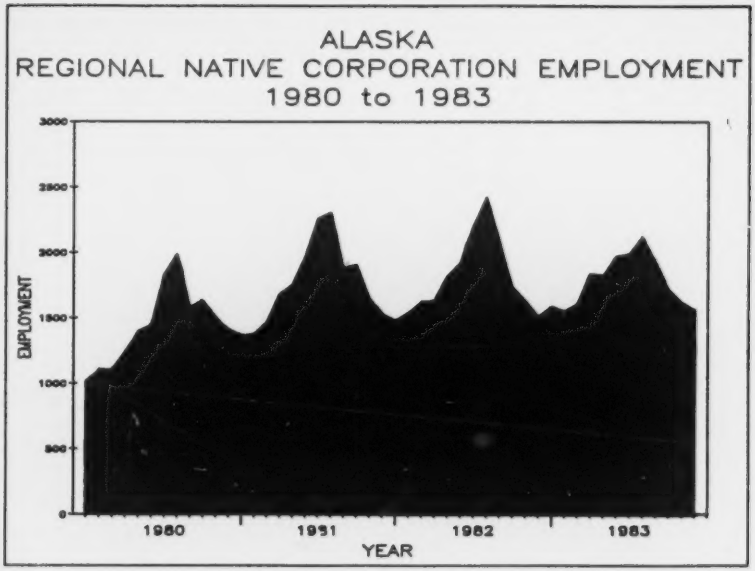

Table 1
Employment by Industry
Annual Average

Industry	1983	1982	1981	1980
Mining	85	27	1	1
Construction	152	205	232	128
Manufacturing	124	141	195	134
Trans. Comm. & Utilities	27	5	6	28
Trade	309	368	304	193
Fin.-Insurance & R. Estate	315	327	278	242
Services & Misc.	762	729	744	710
Total	1774	1800	1760	1436

Table 2
Employment by Region
Annual Average

Region	1983	1982	1981	1980
Southwest	45	12	19	46
Northern	255	241	283	214
Southeast	103	156	147	72
Anchorage/Mat-Su	1071	995	904	797
Gulg Coast	187	231	287	206
Fairbanks/Interior	113	165	120	101
Total	1774	1800	1760	1436

corporations are involved in the Alaska economy. For a number of reasons only data from 1980 through 1983 will be examined. Previous to 1980 the regional corporations were dealing with other problems. Developing corporate policy, new starts, business failures, changes in corporate names of business investments, and unfamiliarity with employment reporting requirements make it difficult to go back to pre-1980 years. The data previous to 1980 is unreliable in representing continuous Native business activity. It should be noted that these are problems that confront all new multibusiness firms that are in a changing environment.

The graph of the total employment for all the regional corporations shows the growth and seasonal variations in Native corporation nonagricultural wage and salary employment from January 1980 to December 1983. Nonagricultural wage and salary employment peaked in 1982 at an annual average of 1,800. With the seasonal nature of Alaska's business the peak employment months occurred during the summer. The highest monthly total employment reached 2,421 in August 1982. The drop in employment in 1983 is not surprising as firms recovered from a disappointing 1982 year by cutting back on overhead and unnecessary expenditures. Total annual wages paid by these firms were approximately $60 million in 1983. In addition to this direct employment, an additional one to two indirect jobs are created for every Native corporation job.

The diversity of activities is extensive, covering all published industry classifications except government (Table 1). Besides joint mining ventures the regional corporations are involved in mining and oil and gas services. They are involved in residential and commercial as well as highway, street and other heavy construction. Seafood processing is the dominant activity in manufacturing but the regional corporations are also involved in timber and shipbuilding and repair. They are involved in transportation and communications and in trade of construction goods, hardware, sporting goods, fuel oil as well as other durable and non durable goods. They own and operate hotels, provide social and business services, and are involved in the management and operation of buildings and other investments.

The regional corporations are currently, or have been, involved in all these activities. As investment opportunities occur they will become involved in new and different business ventures. This is apparent from the changes in industry employment from 1980 to 1983. The most successful business, at least in regard to the number of employees, is hotel and motel operations (services), fish processing (manufacturing), and management investment offices (finance-insurance and real estate). Since firms are classified into an industry based on the major activity these numbers are only approximations of the type business in which the Native firms are involved. This is especially true of the management investment offices classification. Initially the Native corporations were, and in many cases still are, similar to a holding company. As they diversified the major activity they were involved in constantly changed and as an activity expanded a new business

was incorporated and began reporting employment separately. The firms are surveyed every three years to determine their major activity. As they grow and expand we can expect to see shifts in type of employment activity.

Long term, mining has the potential for the greatest growth and for providing local employment opportunities. As the regional corporations continue to assess the value of the subsurface rights and develop these subsurface resources, mining employment could grow dramatically. These are long term projects and will not affect the performance of the firms positively for several years.

The regional corporations were active in all areas of the state (Table 2). While the preponderence of employment was reported from the Anchorage-MatSu region, actual employment in this region is overstated. The data does not always disclose the place of work but rather the reporting location. While these are normally the same there are exceptions. Many of the regional corporations' employment is reported from a particular area (Anchorage) it may in fact operate in other areas of the state or statewide. This is especially true of construction, transportation, and mining and oil and gas service businesses. These activities tend to operate statewide. Construction activities could be in any region while oil and gas service employment reported from Anchorage are most likely working on the North Slope or elsewhere in the state. A seafood processing firm may have several plants but report only as if from one location.

The appearance of Native corporation employment being concentrated in Anchorage will continue, both because the Anchorage area will offer some of the best opportunities for investment and because statewide activities may be reported from the centrally located office. For business reasons, statewide activities will need an Anchorage office, most likely the reporting office for employment.

Restrictions on the level of detail that can be published prevents a breakdown of type business by area. However, some comments on the diversity by area is appropriate. All the economic regions have at least three industries represented. In the Anchorage-MatSu area over one-third of the businesses reporting employment are in finance, insurance, and real estate, mostly investment or holding company offices. But hotels in Anchorage dominate as a source of employment. Approximately 50% of employment in Anchorage is related to services, predominantly hotel and motel operations. The smaller the reported employment in a region the more likely one or two activities dominate regional corporation employment for that area. Still, all the areas except Southeast have a diversity of activities.

Unfortunately the data does not break out Native employment from nonnative employment. From information provided by the regional corporations responding to a questionnaire about their business acitvities it appears they have a much greater percent Native employment than does

the typical corporation. This is certainly true at the supervisory and management levels.

Summary

As can be seen from the diversity of type activity and location the Native corporations are playing an important role in the growth of Alaska's economic growth. Although their investments have taken many forms they are investing heavily in Alaska basic industries—tourism, fishing, mining, and timber as well as the support industries. As land conveyance is completed and the Native corporations give greater attention to profit activities, without sacrificing their social responsibility, their performance in the traditional business sense should improve. ANCSA has provided an opportunity for Alaska Natives to learn and distinguish themselves in the business world. They have survived during a difficult period and given time their success seems assured.

Note: The data presented here should be interpreted in terms of magnitude and direction because of some difficulties in determining just what constituted employment by the regional corporations. The data was developed from information provided by those regional corporations that responded to a questionnaire and from Department of Labor files. To an extent employment may be overstated since it includes joint ventures where the Native corporation owned more than 50% of the venture. Offsetting this are joint ventures where less than 50% was controlled by the Native corporations. Also, because less than 100% of the regional corporations responded to the questionnaire there may be some missing data but this is not considered a significant problem. We would like to thank the Native corporations for their cooperation in providing information.

ALASKA

By Ed Eboch

Nonagricultural wage and salary employment increased in April to 212,400, up 3% from March and 3% above last year. April is a key month in employment growth for several industries. Seasonal increases in employment are normal for construction, fish processing and logging. This year was no exception as employment increased and unemployment rate declined to 11.8%

The increase in employment from last year may not be as strong as the numbers suggest. The year to year growth occurred despite weaknesses in Alaska's basic industries. Small increases in state and federal government were offset by declines in mining, construction, and manufacturing employment. Most of the year to year growth in employment can be attributed to growth in trade and local government in response to a growing population.

It is generally accepted that the Alaska consumer makes fewer local purchases than is typical of the U.S. consumer. Durable goods and many nondurable goods, such as clothing, are purchased from "outside" Alaska, because of the lack of choice and high local prices. It is generally held that as more goods and services are available locally and as competition increases, driving prices down, Alaskans will begin to buy more goods and services locally. Therefore we can expect increased employment in the support sectors—trade, services, and finance, insurance and real-estate as a result. This hypothesis may be tested in the next year.

State and federal government employment is not anticipated to increase significantly, seafood processing will be below the levels of the past several years, and the timber industry still shows signs of weakness. If construction employment should decline, and there is already evidence of overbuilding in Alaska's major communities, the support sectors would not be expected to continue their rapid growth of the past. If growth should continue in the secondary industries at the same time that the basic industries are leveling off it may be an indication that Alaska's economy has reached a size that will enable provision of local services that have been obtained outside in the past.

Unemployment this year is averaging above that of past years. April 1984 is 11.8% compared to 11.5% for April 1983. In-migration of employees and their families has been a product of this growth as well as a cause of growth. As employment opportunities become scarce this trend will slow. Should employment growth in the support industries continue it will indicate that Alaskan consumers have in fact changed their purchasing behavior and that continued employment growth can occur in Alaska while basic industry employment remains stable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	212400	206400	205900	6000	6500
Mining	8100	8400	8400	-300	-300
Construction	17200	15600	17500	1600	-300
Manufacturing	9500	8300	10000	1200	-500
Food & Kindred Products	4300	3700	4500	600	-200
Lumber & Paper Products	2300	1900	2700	400	-400
All Other Mfg.	2900	2700	2800	200	100
Trans. Comm. & Utilities	18100	17600	17900	500	200
Trucking & Whseing.	2200	2200	2000	0	200
Water Transportation	1100	1200	1200	-100	-100
Air Transportation	5600	5500	5700	100	-100
Other Trans. Comm. & Utilities	9200	8700	9000	500	200
Trade	43100	42600	39900	500	3200
Wholesale	8200	8100	7600	100	600
Retail	34900	34500	32300	400	2600
Gen. Merchandise & Apparel	4900	4800	4400	100	500
Food Stores	6200	6100	5300	100	900
Eating & Drinking Places	11900	11800	11600	100	300
Other Retail Trade	11900	11800	11000	100	900
Fin.-Insurance & R. Estate	11000	10800	10200	200	800
Services & Misc.	39700	38900	38400	800	1300
Government	65700	64200	63600	1500	2100
Federal	17600	17400	17500	200	100
State	19700	19500	19400	200	300
Local	28400	27300	26700	1100	1700

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

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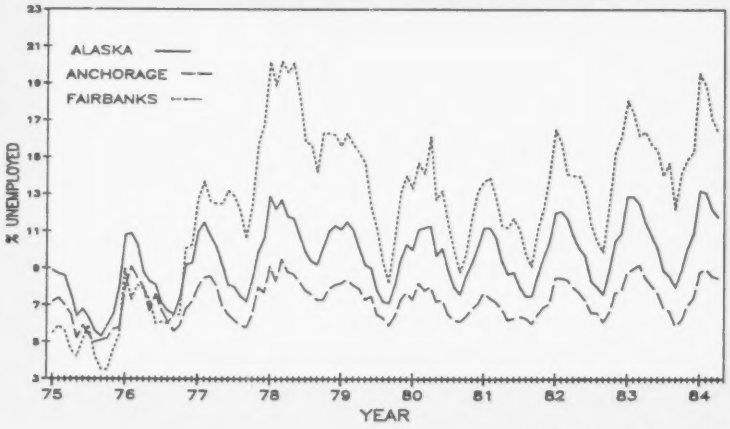
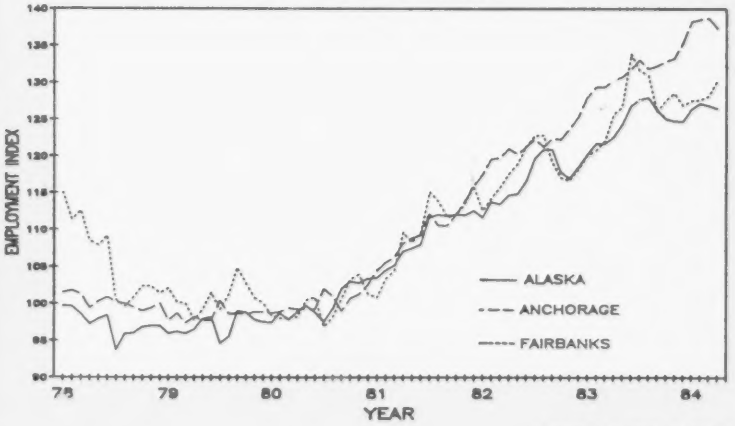
UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present



source: Ak. Dept. of Labor

Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present



source: Ak. Dept. of Labor

ANCHORAGE/MATSU

By Greg Huff

Anchorage Nonresident Job Seekers

Every year thousands of job seekers migrate north to Alaska, stopping in Anchorage looking for work in construction, canneries and a host of other industries. Some come because they believe work is available and pay is good, others come simply for adventure or out of curiousity. Many Alaskans also journey to Anchorage in search of job opportunities. For some rural Alaskan residents it may be their only chance to participate in the "cash economy". Other Alaskans use Anchorage as a home base, but work in various locations within the state and when layed off return to Anchorage to begin the job search again. Anchorage is the largest and most significant transportation and commerce hub in Alaska and given the seasonal nature of Alaska's economy, this influx of workers to Anchorage is a natural phenomenom that will likely continue. Where those job seekers come from, their occupations, and various other characteristics are presented in this Profile of Anchorage Nonresident Job Seekers.

This profile is based on Anchorage Job Service applications. A sample of 250 of these applications were surveyed from February through mid-May 1984. Anchorage residency was determined by the location of the applicants' last job. If the job seekers' previous job was located outside of Anchorage they were classified as an Anchorage nonresident. Data from eight questions were retrieved from the applications. They were: 1) location of last job, 2) primary occupation, 3) reason left previous job, 4) race, 5) sex, 6) age, 7) family size, and 8) education.

The following article is Part I of a two-part series. Part I will focus on the profile of the Anchorage nonresident job seeker whose last job was located in the lower 48 or a foreign country. Part II will provide a profile of Alaskans whose last jobs were outside of Anchorage and will be presented in next month's *Alaska Economic Trends*.

Origin of Job Seekers

Job seekers come from all regions of the country and a few foreign countries. As expected, the majority of lower 48 job seekers come from the Western U.S. with the highest concentration from the Pacific Coast States including Hawaii, followed by the Mountain States and diminishing eastward (Table I). The top ranked state was Washington, with California and Oregon in second and third place.

A major difference in the results of this survey from a similar survey taken in 1982 was the representation of job seekers from the East North Central

region of the nation. In 1982 Michigan, Indiana, Ohio, Wisconsin and Minnesota ranked among the top ten states. In the 1984 survey none of these states were in the top ten. This is probably linked to the severe recession in the region during 1982 and the current improvement in the region's economy as highlighted by the recent profits of the auto companies and falling unemployment rates. Michigan's unemployment rate in early 1982 was 14.3% and by early 1984 had fallen to 12.6%. Indiana's and Ohio's rates dropped from 12.7% to 11.0% and 12.2% to 10.1%, respectively. Although the rates remain relatively high, they were climbing in 1982 while falling in 1984. This creates a more optimistic outlook about job opportunities which increases the likelihood of a job seeker staying in their local labor market.

Table 1
Origin of Job Seeker
By Region
1984

Rank	Region	Percent
1	Pacific	40.5
2	Mountain	20.3
3	West North Central	8.4
4	West South Central	7.2
5	Middle Atlantic	5.6
5	East North Central	5.6
5	South Atlantic	5.6
6	New England	2.4
6	Foreign Countries	2.4
7	East South Central	2.0

By State

Rank	State	Percent
1	Washington	17.3
2	California	12.1
3	Oregon	9.7
4	Texas	6.0
5	Colorado	4.8
6	Arizona	4.0
7	Idaho	3.2
7	Montana	3.2
7	New York	3.2
	Other States	34.1
	Foreign Countries	2.4

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U.S. Census Divisions and Regions

Occupational Characteristics

The primary job skills or occupations of Anchorage nonresident job seekers are diverse but those with construction skills represent the largest proportion, followed by clerical and sales skills (Table II). Occupational characteristics by sex follow traditional lines with women representing the bulk of the job seekers looking for clerical and services related jobs, while men make up the majority looking for construction, transportation and mechanics jobs. Approximately 30% of the job seekers with professional, technical and management skills were women.

Table 2
Characteristics of Job Seekers
By Occupation

Occupation	Percent
Construction	24.8
Clerical & Sales	22.4
Professional, Technical and Managerial	19.5
Service	14.2
Trucking & Warehousing	7.3
Mechanics & Machinery repair	4.9
Agriculture, Fisheries, Forestry	4.8
Mineral and Oil Extraction	1.6
Benchwork (fabrication, repair)	.5

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 1 84	R 3 84	1 83	P 1 84	R 3 84	1 83	P 1 84	R 3 84	1 83	P 1 84	R 3 84	1 83
Alaska Statewide	237931	231714	224353	28009	28220	25859	11.8	12.2	11.5	209922	203494	198494
Anch. Mat-Su Region	123657	121383	115298	11583	11585	10575	9.4	9.5	9.2	112074	109798	104723
Anchorage	111183	108997	103819	9495	9374	8801	8.5	8.6	8.5	101688	99623	95018
Matanuska-Susitna	12474	12386	11479	2088	2211	1774	16.7	17.9	15.5	10386	10175	9705
Gulf Coast Region	25507	25069	24192	3926	4044	3854	15.4	16.1	15.9	21581	21025	20338
Cordova	1299	1306	1224	144	181	135	11.1	13.9	11.0	1155	1125	1089
Kenai	13305	13183	12599	2309	2470	2236	17.4	18.7	17.7	10996	10713	10363
Kodiak	5551	5208	5327	623	407	683	11.2	7.8	12.8	4928	4801	4644
Seward	1867	1901	1784	328	402	334	17.6	21.1	18.7	1539	1499	1450
Valdez	3485	3471	3258	522	584	466	15.0	16.8	14.3	2963	2887	2792
Interior Region	32476	30950	30589	5274	5276	5030	16.2	17.0	16.4	27202	25674	25559
Fairbanks	26506	25236	24926	4334	4310	4091	16.4	17.1	16.4	22172	20926	20832
Southeast Fairbanks	2567	2469	2416	343	370	326	13.4	15.0	13.5	2224	2099	2090
Upper Yukon	804	745	756	141	119	133	17.5	16.0	17.6	663	626	623
Yukon-Koyukuk	2599	2500	2491	456	477	477	17.5	19.1	19.1	2143	2023	2014
Northern Region	11647	11400	11190	1346	1115	1022	11.6	9.8	9.1	10301	10285	10168
Barrow-North Slope	2898	2991	2892	219	217	149	7.3	7.3	5.2	2779	2774	2743
Kobuk	3693	3597	3543	397	405	389	13.5	11.3	11.0	3197	3192	3155
Nome	4955	4812	4754	630	493	484	12.7	10.2	10.2	4325	4319	4270
Southeast Region	32957	31414	31518	4592	4885	4120	13.9	15.6	13.1	28365	26529	27398
Angoon	439	409	429	64	58	66	14.6	14.2	15.4	375	351	363
Haines	1112	1070	1108	155	175	184	13.9	16.4	16.6	957	895	924
Juneau	11545	10914	11042	1247	1284	1096	10.8	11.8	9.9	10298	9630	9946
Ketchikan	7029	6688	6990	1062	1107	727	15.1	16.6	11.2	5967	5581	5763
Outer Ketchikan	828	762	878	125	105	199	15.1	13.8	22.7	703	657	679
Prince of Wales	1626	1568	1560	311	341	292	19.3	21.7	18.7	1312	1227	1268
Sitka	4542	4336	4568	382	445	550	8.4	10.3	12.0	4160	3891	4018
Skagway	1764	1718	1718	377	420	378	21.4	24.4	22.0	1387	1298	1340
Wrangell-Petersburg	4072	3949	3725	866	950	628	21.3	24.1	16.9	3206	2999	3097
Southwest Region	11687	11498	11566	1288	1315	1258	11.0	11.4	10.9	10399	10183	10308
Aleutian Islands	3001	2908	2998	173	139	195	5.8	4.8	6.5	2828	2769	2803
Bethel	3791	3707	3727	483	468	448	12.7	12.6	12.0	3308	3239	3279
Bristol Bay Borough	428	426	417	55	61	47	12.9	14.3	11.3	373	365	370
Bristol Bay	1549	1563	1514	152	195	130	9.8	12.5	8.6	1397	1368	1384
Kuskokwim	1090	1086	1054	188	203	160	17.2	18.7	15.2	902	883	894
Wade Hampton	1828	1808	1856	237	249	278	13.0	13.8	15.0	1591	1559	1578

P =Preliminary 1983 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	106400	104600	100850	1800	5550
Mining	3550	3600	3700	-50	-150
Construction	8250	7650	8300	600	-50
Manufacturing	2250	2150	2100	100	150
Food & Kindred Products	300	300	350	0	-50
Other Mfg.	1950	1850	1750	100	200
Trans. Comm. & Utilities	8750	8750	8450	0	300
Trucking & Whseing.	1200	1300	1100	-100	100
Water Transportation	300	300	300	0	0
Air Transportation	3600	3550	3550	50	50
Other Trans. Comm. & Utilities	3650	3600	3500	50	150
Trade	26650	26300	24300	350	2350
Wholesale	6100	6050	5750	50	350
Retail	20550	20250	18550	300	2000
Gen. Merchandise	1700	1750	1650	-50	50
Food Stores	2750	2600	2350	150	400
Eating & Drinking Places	8000	7800	7200	200	800
Other Retail Trade	8100	8100	7350	0	750
Fin.-Insurance & R. Estate	7400	7150	7000	250	400
Services & Misc.	23550	23150	22300	400	1250
Government	26000	25850	24700	150	1300
Federal	9850	9950	9700	-100	150
State	6700	6600	6700	100	0
Local	9450	9300	8300	150	1150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P	R	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	111450	109550	105700	1900	5750
Mining	3550	3600	3700	-50	-150
Construction	8650	8000	8850	650	-200
Manufacturing	2350	2200	2200	150	150
Trans. Comm. & Utilities	9250	9200	8950	50	300
Trade	27900	27400	25400	500	2500
Fin.-Insurance & R. Estate	7700	7450	7200	250	500
Services & Misc.	24300	24000	23000	300	1300
Government	27750	27700	26400	50	1350

Compared to a similar 1982 survey the occupational background job seekers in 1984 has changed. The number of construction job seekers dropped significantly in the 1984 results. The improved recovery in the lower 48 construction industry has reduced the number of job seekers venturing north for construction work. Detailed characteristics of those job seekers with construction skills reveal that a majority had general construction and laborer backgrounds. Remaining responses indicated specific construction skills such as plumbing, welding, electrical, carpentry and heavy equipment operation.

Other Characteristics

Responses from job seekers on the reasons for leaving their last job ranged from simply stating "moved to Alaska" to discharged from the military. Table II shows a number of responses and frequencies. Among the responses included in "moved to Alaska" are answers such as relocate or returned to Alaska. "Other" responses included left town, homesteading, or adventure.

Job seekers tend to be young with the age group 26-30 years old representing a quarter of all job seekers. Family size characteristics reveal that the majority of the job seekers had at least one other family member. However, not all job seekers have their family with them. Many job seekers leave the family at home and wait until a job is secured before sending for the family. Others came for a grubstake and go home after the job is over. Evidence of this is reflected by the sex breakout of job service applicants from the lower 48 (69% male, 31% female). Along traditional lines the husband tends to venture for work leaving the wife and children at home. Most of the job seekers had an equivalent of a High School education or greater.

Table 3
Reason for Leaving Last Job
1984

	Reason	Percent
1	Moved to Alaska	29.7
2	Layed off	16.1
3	Other responses	10.4
4	Lack of work	7.5
5	Discharges	4.8
6	Transferred	3.6
7	Seasonal	2.4
8	School	1.2
	No Response	24.3

Table 4
Characteristics of Job Seeker
1984
Race

Race	Percent
White	85.1
Black	8.0
American Indian Native	3.0
Hispanic	3.0
Pacific Asian	0.5
No Response	.4

Age

Age	Percent
16-20	4.4
21-25	19.3
26-30	22.5
31-35	18.1
36-40	14.1
41-45	7.6
46-50	5.2
51-55	3.2
56-60	2.0
60 and Over	1.2
No Response	1.2

Family Size

	Percent
Single	37
Two	20
Three	11
Four	16
Five or more	16

Education

	Percent
Not High School Graduate	11
Finished High School	43
Some College or Vocational Education	32
4 or More Years of College	14

Conclusion

The typical non-residental job seeker was a white single male construction worker from the west, between 26-30 years old with a high school education. However, a wide range of characteristics were revealed. It was found that job seekers were from all regions of the U.S. and a few from foreign countries. Job skills spanned the entire spectrum of occupational classes. Job seekers tended to be young, but all age categories were represented. Family status tended to be single but two, three and four person families were common. Nearly 50% of the job seekers had 1 or more years of college or vocational education.

FAIRBANKS/INTERIOR

By Neal Fried

1984 Employment

Fairbanks' employment continued to grow for the fourth straight month this year. The growth rate has abated some, but it remains at a more than respectable 4% over last month. The leading growth industries are retail trade, construction and government. Retail trade employment is presently increasing at a double digit rate. A dramatic increase in population and income have apparently brought on this growing demand for consumer goods and services. In response to this increased demand a large number of retail outlets will be brought on line this summer with the expansion and construction of a number of new malls.

Construction has remained strong this year though it is too early to determine what the overall picture will be. The summer season is what makes or breaks this industry. It will be necessary to wait to see how much new construction is undertaken by mid-season to assess construction's overall performance. It appears it will be another strong season, particularly in the commercial and public works areas. The expansion of the North Pole refinery, a number of new malls, a busy city construction schedule, and a host of other scheduled projects should keep the industry busy this summer.

Government employment has continued to grow. All levels of government have contributed to the growth, but local government has increased the most rapidly. With a growing population and increased school enrollment it is not surprising that local government is a high growth service industry.

The Unemployment Picture

The unemployment picture has not changed a great deal in 1984. Unemployment rates this year are higher than last year. The influx of job seekers to the Fairbanks area appears to have continued. Though employment remains on the upswing, the labor force is still not able to absorb the job seekers as fast as they arrive. This has been Alaska's labor force story for the past three years and 1984 does not appear to be an exception.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	26800	25650	25850	1150	950
Mining	250	200	300	50	-50
Construction	2150	1750	2100	400	50
Manufacturing	550	500	550	50	0
Trans. Comm. & Utilities	2800	2650	2750	150	50
Trucking & Whseing.	450	400	400	50	50
Air Transportation	650	600	650	50	0
Other Trans. Comm. & Utilities	1700	1650	1700	50	0
Trade	5700	5400	5300	300	400
Wholesale	900	900	800	0	100
Retail	4800	4500	4500	300	300
General Merchandise & Apparel	400	400	400	0	0
Food Stores	800	800	750	0	50
Other Retail Trade	3600	3300	3350	300	250
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Services & Misc.	5000	4950	4850	50	150
Government	9350	9200	9050	150	300
Federal	2550	2550	2500	0	50
State	4000	4000	3900	0	100
Local	2800	2650	2650	150	150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	R/	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	30550	29050	29500	1500	1050
Mining	350	300	400	50	-50
Construction	2200	1800	2150	400	50
Manufacturing	550	500	600	50	-50
Trans. Comm. & Utilities	3550	3350	3500	200	50
Trade	6050	5700	5650	350	400
Fin.-Insurance & R. Estate	1050	1050	1000	0	50
Services & Misc.	5350	5200	5250	150	100
Government	11450	11150	10950	300	500

GULF COAST

By Neal Fried

A Profile of Kodiak's Unemployed

Kodiak's unemployment rate was 11.2% in April. The unemployment rate provides some indication of Kodiak's economic performance but it sheds no light on the unemployed. What occupations and industries were they employed in before losing their jobs? Does sex or age have any significance? How long do they remain unemployed, and if they are receiving an unemployment check, how much do they receive weekly? A look at the characteristics of the unemployed will give a better picture of the Kodiak economy.

The statistics reported here on the characteristics of the unemployed represent those individuals who filed an initial state claim for regular state unemployment insurance during any part of 1983. This group of unemployed includes a significant percentage of the unemployed reported in the figures used to calculate the unemployment rate. The unemployed who are not included are those individuals who 1) filed an initial claim prior to 1983 and were still unemployed in 1983 but did not file a new initial claim, 2) were not eligible for benefits because they are not covered by the program, 3) did not work long enough to be eligible for benefits, and 4) were new entrants into the labor force without prior or recent work experience.

Unemployment Characteristics

More than half of Kodiak's unemployment claimants were employed in manufacturing (almost all in seafood processing) before they lost their jobs. This probably comes as little surprise to Kodiak residents given the extremely seasonal and unstable nature of this industry. Manufacturing unemployment claimants appear to be over represented, since on an average annual basis only 29% of Kodiak's wage and salary work force is employed in seafood processing. Construction is the other industry which appears over represented. Construction employs approximately 7% of the wage and salary work force, but a full 16% of the unemployed were formerly employed in this industry. This is a result of the seasonal nature of this industry as employment may more than double during the months of peak activity. The remaining industries were either proportionately represented or underrepresented. For example, the government sector (local and state) employs 18% of the wage and salary work force, but only 5% of the claimants had worked in government before losing their job, a reflection of the stable and nonseasonal nature of most government employment.

The occupational categories correspond closely to the industry categories. Forty-six percent of the unemployed were from processing occupations

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P	R	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	18250	17850	17550	400	700
Mining	750	700	700	50	50
Construction	1500	1400	1350	100	150
Manufacturing	2200	2200	2250	0	-50
Food & Kindred Products	1500	1550	1550	-50	-50
All Other Mfg.	700	650	700	50	0
Trans. & Comm. Utilities	2200	2200	2150	0	50
Trade	3150	2950	2850	200	300
Wholesale	450	450	350	0	100
Retail	2700	2500	2500	200	200
Fin.-Insurance & R. Estate	500	500	450	0	50
Services & Misc.	2900	2850	2800	50	100
Government	5050	5050	5000	0	50
Federal	500	500	500	0	0
State	1500	1500	1450	0	50
Local	3050	3050	3050	0	0

(seafood) followed by structural work (construction) with 14%. Clerical, sales, professional, technical, managerial and service occupations contribute small numbers to the pool of unemployment insurance claimants. This can be explained by the fact that these occupations are less seasonal and more stable than most of the other categories.

Over 50% of Kodiak's unemployment insurance claimants were less than 35 years old. A younger labor force tends to experience more unemployment than their older counterparts. Younger workers tend to change jobs more often than older workers. Their skill levels are not fully developed and they appear to concentrate in industries which experience high seasonal unemployment such as seafood processing and construction.

Though a larger percentage of the unemployment claimants are men (64%) both sexes are proportionally represented compared to their share of the labor force. Kodiak's experience is somewhat different from most areas of the state where women are underrepresented because they are less likely to be employed in the seasonal industries. In Kodiak, women are strongly represented in the fish processing industry, which has brought their proportional share of unemployment up to par with men.

The "average" Kodiak unemployment insurance claimant in 1983 received $107.38 per week for 14.4 weeks. The total amount of unemployment dollars paid out to Kodiak claimants during 1983 was $1.6 million.

If a profile of the "typical" unemployed Kodiak worker were sketched, the worker would be a young male or female cannery worker. It must be kept in mind, however, that all ages, industries, and occupations are represented.

Kodiak's Unemployment Insurance Claimants
Industry Characteristics*
1983

	Number	Percent
Mining	4	--
Construction	137	16
Manufacturing	427	51
Seafood Processing (Subcategory of Mfg.)	410	49
Transporation, Comm. & Utilities	46	6
Trade	89	11
Finance, Insurance & Real Estate	14	2
Services	74	9
Government (state and local)	40	5
Total	831	100

Occupational Characteristics

	Number	Percent
Professional, Technical, Managerial	51	6
Clerical & Sales	85	10
Service	60	7
Processing Occupations	380	46
Machine Trades	26	3
Bench Work	5	1
Structural Work	117	14
Agricultural	20	2
Miscellaneous	87	10
Total	831	100

Age Characteristics

	Number	Percent
16-20	22	3
20-24	106	13
25-34	322	39
35-44	187	23
45-54	101	12
55-64	79	10
65and Over	14	2
Total	831	100

* The percent distribution may not add up to 100% due to rounding.

SOUTHEAST ALASKA

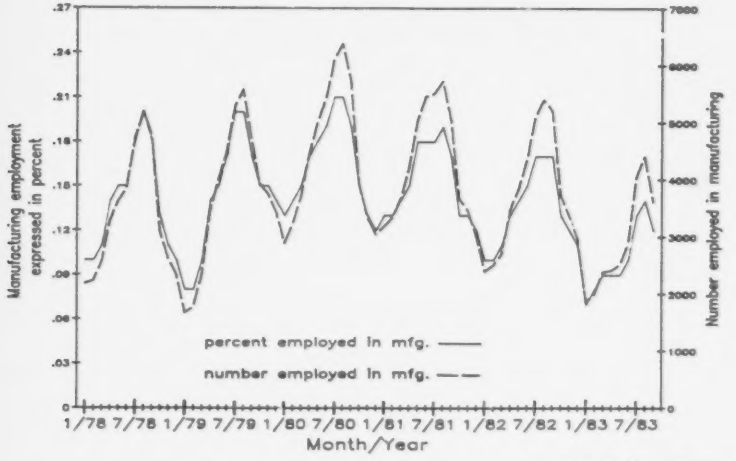
By John Boucher

Employment in Southeast Alaska took a sharp climb in April as seasonal industries began to increase hiring. Nonagricultural wage and salary employment increased 7.5% from March to April, climbing to 28,600. Manufacturing employment accounted for one-half of the increase over the month as seafood processing and lumber and paper products employment picked up. Construction, retail trade and government employment also contributed to Southeast Alaska employment growth.

Manufacturing employment was the largest contributor to employment growth during the last month. The herring openings in Kah Shakes and the Sitka area, near the end of March, figured prominently in the food and kindred products increase. Due to the nature of herring openings, which are extremely short in duration and accompanied by very high employment for a short period of time, April seafood processing employment estimates can be even more volatile than normal. If the openings occur during the pay period that includes the twelfth of the month, the impact of the herring season on employment is fairly easy to measure because employment will be included in our sample of employers. If, however, the employment surge is not captured in our sample, other factors such as the tonnage of the catch, the estimated amount of recovery and the total value of the catch must be used to estimate the herring openings impact. For the second year in a row, we were fortunate to capture the herring seasons impact on employment through our samples.

Elsewhere, manufacturing employment increased as logging camps began to open prior to the beginning of the peak logging season. Lumber and paper products employment continues to lag behind last year's pace, but recent developments have been cause for some optimism in the Southeast forest products industry. Progress is being made in Washington, D.C. towards granting a variance for the two pulp mills, as a bill that would do so was acted upon favorably in committee. In Wrangell, the good news is that Wrangell Forest Products has reopened the recently closed Alaska Lumber and Pulp (ALP) sawmill. However, according to a spokesman, the facility will initially operate with fewer workers than it had under ALP's operation. Whether or not these events can steamroll into enough momentum for manufacturing in Southeast Alaska to begin a turnaround is yet to be seen. A healthy forest products industry would go a long way to returning manufacturing to the prominent position it held as recently as 1980. (See graph.)

Southeast Alaska Manufacturing Employment 1/78 to Present


Manufacturing employment expressed in percent
Number employed in manufacturing
percent employed in mfg.
number employed in mfg.
1/78 7/78 1/79 7/79 1/80 7/80 1/81 7/81 1/82 7/82 1/83 7/83
Month/Year
source: Ak Dept. of Labor

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK SOUTHEAST ALASKA

	P/	R/	CHANGES FROM:		
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	28600	26600	28100	2000	500
Construction	1750	1450	1750	300	0
Manufacturing	3200	2200	3400	1000	-200
Food & Kindred Products	950	400	1000	550	-50
Lumber & Paper Products	2000	1600	2200	400	-200
All Other Mfg.	250	200	200	50	50
Trans. Comm. & Utilities	1950	1900	1900	50	50
Trade	4500	4300	4250	200	250
Wholesale	450	400	400	50	50
Retail	4050	3900	3850	150	200
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Mining, Services & Misc.	4250	4100	4100	150	150
Government	11950	11650	11750	300	200
Federal	2200	2050	2250	150	-50
State	5600	5450	5600	150	0
Local	4150	4150	3900	0	250

HOURS AND EARNINGS

By Kathleen Thomas

March hours and earnings were off to a good start with almost all categories moving up. The most dramatic increase occurred in food and kindred products where average weekly hours increased 59% over last month and 40% over last year. The increase in hours effectively pushed this sector's average weekly earnings up by 50.6%. The tanner crab season was in full swing during March resulting in a flurry of activity at the seafood processors. In other manufacturing, hours and earnings for lumber and paper products remain virtually unchanged from February but are still above March 1983. On the whole, manufacturing hourly earnings decreased by 10% and average weekly hours increased by 20%. The dramatic increase in fish processing employment for food and kindred products along with a reduction in hourly earnings served to pull average hourly earnings downward for manufacturing. Mining was gearing up for the summer with gains in both hourly earnings and weekly hours, up 3.9% and 4.1%, respectively, with construction close behind with a 3.4% increase in hourly earnings.